THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) and (b) A Board of Approvals headed by Additional Secretay, Department of Commerce has been constituted *vide* Notification dated 7.8.2001, to consider among others, proposals for setting up of Special Economic Zones (SEZs).

(c)and (d) Alomst all the proposals for setting up of units in the SEZs are considered at the Zone level by the Unit Approval Committee. The criteria adopted by the Committee to ensure that only genunine units are given coverage under the SEZ scheme include verification of residence proof, income tax returns, report form other Zones whether any case in regard to diversion of goods etc. is pending against the promoter. In addition to these, the Unit Approval Committee also monitors the performance of the units and the conditions of approval and takes appropriate action wherever necessary.

(e) In case of misuse of benefits under the SEZ scheme, the units are liable for penal action under the provisions of Foreign Trade (Development and Regulation) Act, 1992/Customs Act, 1962.

**Fall in price of spices**

1523. SHRI K. CHANDRAN PILLAI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is fact that there have been a fall in the price of spices including cardamom and vanilla;

(b) if so, the details of the prices of spices during the last three years, year-wise and produce-wise;

(c) whether Government have since ascertained the reasons for the continuous fall in the prices of spices;

(d) whether Government will take steps to procure the produces with a minimum support price; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN) : (a) Yes, Sir. Some of the spices, including cardamom and vanilla, have registered a decline in prices.

(b) Details of the average domestic prices of spices at major market centres in India, during last three years, are given below:

(Prices: Rs. per Kg.)

| Spices | Market | 2002-03 | 2003-04 | 2004-05 |
|---|---|---|---|---|
| Pepper | Cochin | 88.32 | 74.11 | 69.08 |
| Cardamom (small) | Auction price* | 561.26 | 361.03 | 295.23 |
| Cardamom (Large) | Gangtok | 141.36 | 114.96 | 91.88 |
| Chilli | Guntur | 31.98 | 39.14 | 28.71 |
| Ginger | Cochin | 40.90 | 68.56 | 130.36 |
| Turmeric | Cochin | 41.91 | 48.22 | 52.78 |
| Coriander | Mumbai | 25.94 | 27.88 | 19.04 |
| Cumin | Mumbai | 81.44 | 66.30 | 68.31 |
| Celery | Mumbai | 26.53 | 26.69 | 28.12 |
| Fennel | Mumbai | 51.24 | 50.02 | 45.76 |
| Fenugreek | Mumbai | 16.89 | 17.19 | 15.67 |
| Garlic | Mumbai | 35.12 | 16.83 | 19.80 |
| Poppy seed | Mumbai | 145.09 | 159.35 | 151.85 |
| Ajwain Seed | Mumbai | 43.89 | 49.53 | 51.73 |
| Dill Seed | Mumbai | 27.32 | 27.80 | 25.45 |
| Mustard | Delhi | 15.95 | 20.43 | 18.13 |
| Tamarind | Mumbai | 17.12 | 17.34 | 32.81 |
| Clove | Cochin | 414.30 | 211.84 | 249.03 |
| Nutmeg with shell | Cochin | 109.55 | 100.95 | 106.62 |
| Nutmeg without shell | Cochin | 192.94 | 171.84 | 187.79 |
| Mace | Cochin | 380.54 | 171.84 | 87.79 |
| Cinnamon | Delhi | 61.24 | 54.99 | 50.48 |
| Cassia | Chennai | 61.19 | 55.58 | 52.21 |
| Saffron | Delhi | 47237.50 | 41511.00 | 31855.00 |
| Vanilla | FOB export price | 8842.74 | 13702.98 | 6691.78 |

*Refers to the season August to July. Source: Spices Board

(c) Yes, Sir.

(d) and (e) Fixing of minimum support price for spices is not a feasible proposition as prices are mainly determined by market forces of demand and supply. Further, spices, like plantation crops, are basically cash crops. Unlike other agricultural crops which are under minimum support price (MSP) mechanism, spices, in general, are perennial crops with long gestation period and long shelf-life of the product.

**Performance on export front**

1524. SHRIMATI N.P. DURGA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) how Government is planning to achieve the export target of US$100 billion in 2005-06 with deceleration of export in electronics, leather and textiles front;

(b) how the decline of rupee value against the US dollar affected the export of Indian goods; and

(c) the reasons for which the export of gems and jewellery are not performing according to the expectations?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) The export target for the financial year 2005-06 is US $ 92 billion. Against this target, the value of exports during the period April — October, 2005 was US $ 52 billion. With the continuing efforts of the Government to promote exports and initiatives taken by exporters themselves, it is expected that total merchandise exports could touch a level of US $ 100 billion during the current financial year despite deceleration of export growth in a few sectors.

(b) Notwithstanding the recent marginal decline of the Indian Rupee against the US Dollar, merchandise exports recorded a growth of 22% during the period April — October, 2005.

(c) The gems and jewellery sector has performed reasonably well recording a growth of 24 per cent during the current financial year (April—August).